



1. "amended" A method operative at a server for negotiating and managing loan syndication, comprising the steps of:

having a database of the committed loan syndication maintained at the server;

having the loan syndicator post a bid to an online auction block maintained at the server for a predetermined period of time;

in response to a request from lenders to the server identifying a given loan syndication requirements, identifying a set of bids within that requirements;

in response to the lenders accepting a given one of the set of bids posted by the loan syndicator, sending secure electronic message to the loan syndicator and lenders confirming a loan syndication commitment in principle by said lenders and sending an acceptance message to the lenders when the loan syndicator and final borrower have accepted the lenders' in principle commitment;

in response to the acceptance by the loan syndicator and final borrower, the lenders are provided an opportunity to ratify their commitments by cause to legally authorizing their commitments or to withdraw;

in response to ratifying their commitments, lenders to execute their individual loan obligation in accordance to the terms of the bid by causing to transfer funds to the account of the loan syndicator over a network;

in response to the said transferred funds, loan syndicator authorizing the disbursement of the funds to the final borrower over a network;

in response to periodically loan commitments if any as determined by the loan syndicator and agreed by lenders, sent electronic notification to lenders regarding their commitments; and

in response to interest and principal payments received from final borrower on a periodical basis, provide instructions to transfer the amounts to lenders in accordance to their commitments on behalf of loan syndicator.

2. "amended" The method as described in claim 1 wherein the identities of the final borrower and lenders at their discretion may be anonymous.

3. "amended" The method as described in claim 2 further including the steps of notifying the identities of respective participants in the syndication wherein the final borrower and loan syndicator are provided with the first right access to lenders' identities on receiving said acceptance in principle by the lenders and said lenders are only provided with access to final borrower's identity through loan syndicator when their said acceptance in principle have also been accepted by final borrower.

4. "amended" The method in claim 1 wherein the lenders can post questions and the loan syndicator can response to these questions visible to all over a network.
- 5 5. "amended" The method in claim 1 wherein lenders, final borrower and loan syndicator have access privileges respectively to the server over a network.
6. "amended" The method in claim 1 wherein electronic loan documents pertaining to the bid may be cooperatively amended by lenders upon authorization by final borrower and
10 loan syndicator.
7. "amended" The method as described in claim 1 wherein the lender is charged a fee for the accepted bid.
- 15 8. The method as described in claim 1 wherein the bid identifies a desired risk class of the final borrower including borrowing terms and legal conditions.
9. "amended" The method as described in claim 1 wherein the bid identifies a desired loan of the nature of a bond instrument, a floating or fixed rate note, a hybrid with
20 detachable equity, a revolving credit instrument, a letter of credit instrument, negotiable certificate of deposit or any instrument that has the nature of a loan instrument with interest payable or discounted as in treasury notes or equity or profit participation in lieu of interest payable.
- 25 10."amended" The method as described in claim 1 wherein the bid identifies a desired loan rate or cost and period of loan.
11. "amended" The method as described in claim 1 wherein the bid identifies the desired borrowing conditions attached to the bid.
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12. "amended" The method as described in claim 1 wherein the acceptance of the bid by lender identifies the desired size of the bid, the rate of return, the period of the loan and the divisible amount the lender is willing to participate including the role it is subscribing to.
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13. "amended" A server connectable to a computer network preferably over the internet for negotiating and managing loan syndication, comprising:
- at least one client machine connected to the said server;
40 a database of loan syndication information;
a database of authorized loan participants information;
45 a database of past loan syndication information;

a database of executed or in progress loan syndication and related documents information;

a database of authorized contacts information;

a display routine for displaying a table of loan rates indexed by size of loan, period of loan, instrument of loan, syndicate or lender, country risk, role of participants, closing date, agreements, status of syndicator, final borrower's industry, collateral and comments by other bidders;

a display routine for displaying a table of participants in past and current loan syndication facility;

a display routine for displaying a table of the risk, period, instrument and return preferences of lenders;

an auction routine for enabling users of client machines to negotiate to buy and sell loan syndication commitments anonymously and in full confidentiality;

an auction routine enabling users of client machines to place an automatic bid incrementally up to their upper limit when their original bid was challenged by another new bid and the original bid is then deleted to prevent double counting;

an auction routine enabling users of client machines to place conditional bids which are recorded but not submitted until the condition has been fulfilled;

an auction routine where conditional bids and automatic bids are only known to the bidder and host authority;

an information feedback system where users of client machine will be able to view feedback from the originator and others feedback as well as to provide feedback/comments on their own;

a rating system to determine the success rate of each originator so as to provide a comparison to their ability to close a deal;

a search facility to enable users to make more accurate searches into their particular needs;

a programmable administrative routine to enable the loan syndicator to manage the lenders commitments where such routine include sending instructional emails to lenders of their commitments such as draw down, to receive funds from lenders to be deposited into final borrowers' accounts and to receive interest and principal payments from final borrowers in accordance to terms of facility where such payments will be credited to the respective lenders' accounts in relation to their portion of commitments; and

a programmable administrative routine to monitor correspondence, update electronic documents, issue settlement instructions, accounting functions, auditing, perform billings, provide different degree of access to loan syndicated participants in order for them to perform their duties, calculate and determine the interest costs principal repayment for each syndication on behalf of the syndicator.

14. "amended" The server as described in claim 13 wherein the auction routine includes means for enabling a lender to post a bid for a given loan syndication facility where such bid may be a parcel or a divisible unit of the total loan requested where such parcel is linked to a particular rate and period of commitment.

15. "amended" The server as described in claim 14 wherein the auction routine further includes means for enabling a loan syndicator or originator and final borrower to accept the bid including a divisible unit linking to a particular rate of the loan and the period for the stated loan syndication facility.

16. "amended" The server as described in claim 13 wherein the auction routine includes means for enabling a loan syndicator to post, delete, withdrawn, close, extend period of acceptance and update a bid for a given loan syndication facility.

17. "amended" The server as described in claim 15 wherein the auction routine further includes means for enabling a loan syndicator and final borrower to accept new bids in access of the total loan commitment where agreeable by other lenders and to substitute new lenders' bids where acceptance in principle lenders have withdrawn from the syndication facility.

18. "amended" The server as described in claim 13 wherein the auction routine further includes means for participants identities to be released where the final borrower and loan syndicator have the right to access identities of lenders in response to lenders acceptance in principle to the bid, and where lenders have access to final borrower's identities when final borrower further accepts lender's participation upon knowing lender's identity, said lender will have the final means to either accept the final borrower's bid upon knowing said identity or withdraw.

19. "amended" The server as described in claim 13 wherein the administrative routine includes means for selecting the various bids into a risk return matrix satisfying at least the total amount of the loan syndicate in the order of the best bids first and sending this matrix for acceptance by loan syndicator and final borrower.

20. "amended" A computer network system for negotiating and managing loan syndication, said computer network system comprising:

(a) at least one client computer;

(b) at least one computer network connected to said computer;

(c) at least one host computer or server with a CPU, memory and database connected to said network;

5 (d) means for posting a bid by a syndicator to an online auction block maintained at the server for a predetermined period of time;

(e) means for responding to a request from a lender to the server identifying a given loan syndication requirements, identifying a set of bids within that requirements over said at
10 least one computer network or another computer network;

(f) means for the lenders accepting a given one of the set of bids posted by the loan syndicator, sending secure electronic message to the loan syndicator and lenders conforming the loan syndication commitment in principle by said lenders and sending an
15 acceptance message to the lenders when the loan syndicator and final borrower have accepted the lenders' in principle commitment;

(g) means for sending secured email instruction to lenders regarding their commitments, update documentation, update loan status report, provide detail plans of performance
20 duties for all participants and to monitor progress of loan administration, interest and principal payments from final borrower on behalf of the loan syndicator over said at least one computer network or another computer network;

(h) means for entering records of loan syndication into a database electronically
25 accessible to a plurality of users with different degrees of information privileges over said at least one computer network or another computer network;

(i) means to calculate and determine the interest costs principal repayment for each facility and to send instructions to participants when they fall due on behalf of the loan
30 syndicator over said at least one computer network or another computer network;

(j) means for enabling users of client machines to negotiate to buy and sell loan syndication commitments anonymously and in full confidentiality;

35 (k) means to enable users of client machines to place an automatic bid incrementally up to their upper limit when their original bid was challenged by another new bid and the original bid is then deleted to prevent double counting;

(l) means to enable users of client machines to place conditional bids which are recorded
40 but not submitted until these conditions have been met;

(m) means to protect information on conditional bids and automatic bids which are only known to the bidder and host authority;

45 (n) means for users of client machine to be able to view feedback from the originator and others feedback as well as to provide feedback/comments on their own;

(o) means to rate the success of each originator so as to provide a comparison to their ability to close a deal;

5 (p) means to search the database;

(q) means to reveal the identities of the participants in the syndication when on acceptance in principle by lender, the lender's identity is reveal to the final borrower and loan syndicator where final borrower and loan syndicator has accepted the lender's
10 acceptance in principle of the bid, the identity of the final borrower is reveal to the lender;

(r) means for lender to withdraw or authorize commitment upon knowing final borrower's identity; and

15 (s) means for final borrower to select new lenders where upon a previously accepted in principle lender has withdrawn.